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FISCAL IMPACT STATEMENT

LS 6214

BILL NUMBER: HB 1418

NOTE PREPARED: Feb 9, 2009

BILL AMENDED:

SUBJECT: K-12 Student Enrollment Counts.

FIRST AUTHOR: Rep. Smith V

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires the Department of Education to count student enrollment or average daily membership (ADM) in school corporations on the first school day in December. The bill requires the Department to use the average of two ADM counts for purposes of state tuition support.

Effective Date: July 1, 2009.

Explanation of State Expenditures: The bill could increase or decrease state funding to local schools depending on whether the ADM increased or decreased between September, the current count date, and December. The state currently takes three counts each year, September, December, and March, but only the September count is used for funding purposes.

Background: Based on the change in the student counts from September 2007 to an average of the September and December 2007 counts, the CY 2008 school formula funding would have decreased by about \$11 M. The reduction in the ADM between September 2007 and an average of the September and December 2007 counts was about 3,892 students. About 264 schools would have had a reduction in school formula revenue, 60 would have had an increase in school formula revenue, and 11 schools would have had no change in their school formula funding. The largest decrease would have been about \$635,000 and the largest increase would have been about \$488,000.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Expenditures*.

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools.

Information Sources: Department of Education databases.

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